

There was no objection.

#### SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

#### AIG/PANAMA FTA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. MICHAUD) is recognized for 5 minutes.

Mr. MICHAUD. Mr. Speaker, I am here this afternoon to strongly oppose the Bush-negotiated Panama Free Trade Agreement. We should not even be considering this agreement until Panama fixes its outrageous banking secrecy, its offshore tax haven, and financial service deregulation policies.

Just when we thought we heard almost everything that there is to know about AIG's bailout and bonuses, many of you may not know AIG is suing United States taxpayers, claiming it overpaid U.S. taxes on activities in Panama.

Panama is a country which applies low to no regulations and taxes on firms registered there. AIG wants to get back those taxes it dodged with its Panamanian front.

Panama hides its tax liabilities and transactions behind banking secrecy rules. The United States and other firms can create unregulated subsidiaries with ease in Panama. According to the State Department, Panama has over 350,000 foreign-registered companies. AIG is very keen on tax havens like Panama.

The New York Times just ran an article about how AIG is currently suing the United States Government for over \$306 million in back taxes it claims it does not owe because of the Panamanian company entitled Starr International Company, otherwise known as SICO.

SICO is AIG's largest shareholder. It is also the manager of a compensation fund for AIG employees who are paid in AIG shares. SICO's chairman is former AIG Chairman Hank Greenberg. The same company that got the government bailout money and used taxpayer dollars for outrageous bonuses is now demanding twice the amount of bonuses in paid back taxes.

If you aren't already angry about the greed of AIG executives, the fact that they are using Panama's tax haven status as a way to sue the American taxpayers for back taxes is completely outrageous. The Bush-negotiated Panama Free Trade Agreement would make matters worse. It promotes the offshoring of investment by providing special treatment for firms who are in Panama.

At a time of severe economic downturn and when the government is asking the United States taxpayers to foot the bill for Wall Street's mess, the last

thing we need to do is pass a trade deal negotiated by the Bush administration that promotes offshoring, tax dodging, and privileges for foreign investors.

This is simply outrageous. As elected officials of the people here in the United States, we ought to have transparency in what is going on; and that transparency has not been there, whether it is the bailout legislation or whether it is looking at the Panama trade negotiated under the Bush administration which will be a tax haven for companies who are registered in Panama.

I urge my colleagues to vote against any Panama trade deal that has been negotiated by the previous administration. It's wrong. It's outrageous, and it is not the right thing to do.

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

(Mr. POE of Texas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### PANAMA FREE TRADE AGREEMENT

The SPEAKER pro tempore (Mrs. KIRKPATRICK of Arizona). Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES. Madam Speaker, I rise with sadness at the news that this administration intends to follow the broken trade agenda of the previous administration by pushing Congress to approve the United States-Panamanian Free Trade Agreement.

How many American jobs must be lost, how many businesses must be closed, how many towns across this Nation must be hollowed out before the government realizes that our trade policy is broken? We have had 15 years of the NAFTA-based trade model on which the Panamanian agreement is based, and the results are in: we now have a \$127 billion annual trade deficit with Mexico and the other 15 nations with which we have free trade agreements. Since the passage of NAFTA, the United States has lost 4.5 million manufacturing jobs, over 364,000 in my home State of North Carolina alone.

We are in the worst recession since the Great Depression. Unemployment is rising and it may soon be over 10 percent. The last thing this country needs is another free trade agreement that will cause more good-paying American jobs to be outsourced.

Most of us would agree that America will not recover until we reduce our reliance on imports and produce more of what we consume right here at home. The insanity of this agreement is that it will do just the opposite. In fact, this agreement actually obligates U.S. taxpayers to fund a New Committee on Trade Capacity building, one of the pri-

mary goals of which, according to CRS, is to help Panamanian businesses in "increasing exports to the United States."

Well, isn't that nice? At a time when this government is running a \$2 trillion annual deficit, this agreement will use U.S. taxpayers' money not to help U.S. companies but to help Panamanian companies take market share and jobs from domestic employers.

One last point, Madam Speaker. President Obama campaigned on and, in my opinion, carried several States because of his pledge to stop the incentives for companies to outsource jobs and dodge U.S. taxation by moving operations offshore to tax-haven jurisdictions like Panama. Unfortunately, this trade agreement would tear that pledge to pieces.

The reality is that Panama is known internationally as one of the leading tax havens in the world. Corporations from the United States and around the globe set up shop in Panama in order to dodge taxes in their home countries. Sadly, this agreement does nothing to stop that activity.

Madam Speaker, this agreement is bad for America, especially at this perilous economic time for our Nation, and I would encourage the administration to rethink its position before it asks Congress to approve it.

And with that, Madam Speaker, before I close, with our men and women fighting in Afghanistan and Iraq, I ask God to please bless our men and women in uniform, and I ask God three times, God please, God please, God please continue to bless America.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

#### THE IMPORTANCE OF FAIR TRADE POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. TONKO) is recognized for 5 minutes.

Mr. TONKO. Madam Speaker, these undoubtedly are tough economic times, not only for our country but for many across the world. So as we recognize that we co-exist in this global community, it is important for us to go forward thoughtfully and fairly with a sense of justice as we approach the issues of trade, making certain that there be this balance, that there be this fairness in the trade options that are available to this Nation and others, and that we move forward in a way that most progressively responds to the needs of this global community in which we share our opportunities.

I grew up in and now represent New York's 21st Congressional District,